Arbitrary fees by private educational institutions

†*31. SHRI PRABHAT JHA: Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) whether Government is aware that fees are charged arbitrarily from the students in the name of self-financed curricula by private educational institutions;

(b) whether Government has received any complaint in respect of the above;

(c) whether Government is contemplating to implement in private colleges also the recommendations of the committee, constituted by the UGC for effecting equal fee structure in universities and colleges of the country; and

(d) if so, the details thereof and by when the same would be implemented?

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI ARJUN SINGH): (a) to (d) Yes Sir, while there are no specific complaints received in the Ministry of Human Resource Development in this regard the Government is aware that as private educational institutions do not generally receive financial assistance from public outlays, fees charged by them are relatively higher than those in the publicly funded institutions. However, All India Council for Technical Education (AICTE) has received five complaints in the recent past in respect of donation charged by private engineering/management institutions and the same are under investigation by the Council.

The Supreme Court in the matter of TMA Pai Foundation and Others *vs.* State of Karnataka [WP (Civil) No. 317 of 1995] has held that "in the establishment of an educational institution, the object should not be to make a profit in as much as education is essentially charitable in nature. There can, however, be a reasonable revenue surplus, which may be generated by the educational institution for the purpose of development of education and expansion of the institution". The Apex Court also held in its majority judgement in the same Writ Petition That "in as much as the occupation of education is, in a sense, regarded as charitable, the Government can provide regulations that will ensure excellence in education, while forbidding the charging of capitation fee and profiteering by the institution".

Accordingly, to regulate exorbitant fees which the private educational institutions may otherwise charge, the Government directed the University Grants Commission (UGC) to frame regulations for admissions and fee structure in private educational institutions in consultation with the stakeholders. The UGC constituted an Expert Committee in August, 2007 under the chairmanship of Prof. B.S. Sonde to formulate, *inter alia,* regulations with regard to admission and fee for self-financing private professional institutions, including 'deemed-to-be-universities'. The Committee has submitted its report to the UGC and it is being examined by the Commission for making its recommendations to the Government.

Similarly, the AICTE is examining the aspect of uniform guidelines for fee in AICTE approved technical institutions in the country. Accordingly, it has constituted a committee under the chairmanship of Justice Shri Ranganath Mishra, former Chief Justice of India.

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†Original notice of the question was received in Hindi.